1.0 OBJECTIVES:

1.1 Providing a mean for the top management of Chuan Thong Industries Sdn. Bhd. to demonstrate leadership and commitment with respect to the relevant labor regulation and laws.

1.2 To ensure that CTI complies to the recruitment procedure of recruiting foreign workers, as well as "responsible recruitment practices including avoidance of related fees at any stage in the recruitment process, whether by us, our agent, or their subagents in receiving and sending countries".

1.3 Providing clarity and transparency on the process of hiring or legalizing foreign workers.

2.0 PERFORMANCE INDICATORS:

	Process Performance		Target
2.1.	Every foreign worker(s) working under CTI shall not require to pay employers' or agents' recruitment fee or other cost.	a.	0 record of new hiring pay/charge recruitment fee to CTI, our agent or their subagent.

3.0 SCOPE:

3.1 This procedure applies to the recruitment of new hiring of foreign workers.

3.2 This procedure specifically pertaining to the "Zero Recruitment Fee Policy" [HMP 01-09/24] implemented on 23 September 2024.

4.0 DEFINITIONS:

4.1. Human Resources Personnel refers to the Human Resources Executive and/or Human Resources Clerk.

4.2. New workers refer to those previously not attached to Chuan Thong Industries Sdn. Bhd.

5.0 ACRONYMS:

5.1. CTI denotes Chuan Thong Industries Sdn. Bhd.

5.2. HOD denotes Head of Department

5.3. HR denotes Human Resources

6.0 EQUIPMENT:

6.1 N/A

7.0 PROCEDURE:

7.1 HOD/Director shall identify the manpower requirements based on CTI's business needs. Input includes, but not limited to:

- Expansion to increase capacity
- Diversification to new product(s) / service(s)
- Technological improvement, to new machinery / process(es) adopted

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7.2 Director, along with the HR personnel to source for potential new workers via Recruitment Agency.

7.2.1 The selection of recruitment agencies is based on many factors including, but not limited to, reputation, cost, and reliability. The recruitment agency shall be legally registered in its home country and has a long-standing reputation. The recruitment agency should also sign an agreement to adhere to our policies before we engage their services.

After all criteria have been made, Recruitment Agency shall sign off CTI's' supplier code of conduct.

7.3 Recruitment Agency will submit foreign workers' details to CTI for screening purpose.

7.4 Director & HR personnel will participate in the interview and workers selection. This is to ensure that proper recruitment process, particularly the "Zero Recruitment Cost" Policy is being followed through and monitored and that workers understand the contents of their contracts and job requirements.

If any workers are requested by the appointed Recruitment Agency to pay the recruitment fees more than the government approved amount, thus workers shall immediately report to the Director & HR personnel which attend the interview session as immediate action.

7.5 Workers accepted for employment with the CTI shall sign off the Employment Contract that translated in their own native language either Bangladesh, Myanmar or Nepal.

Workers accepted for employment with CTI shall declare the recruitment fees paid & sign off the Statutory Declaration of Zero Recruitment Fee Policy from the company.

7.6 Employment of new foreign workers;

7.6.1 **ARRIVAL OF FOREIGN WORKERS**
Where applicable, HR personnel/Recruitment Agency has to pick up the foreign workers from the airport within 24 hours of their arrival.

7.6.2 **ACCOMMODATION**
Where applicable, the Company will provide accommodation or hostel for workers.

7.6.3 **INDUCTION TRAINING**
For all the newly recruited foreign workers, induction training will be conducted by the HR personnel and assist by worker representative each nationality.

7.6.4 **HEALTH SCREENING**
HR personnel will proceed to register foreign workers at FOMEMA and have the workers to do their health screening within one month of arrival or legalization in Malaysia at FOMEMA panel clinics with all costs borne by the CTI.

7.6.4.1 **MEDICALLY FIT WORKERS**
For workers who are certified as they are fit to work, HR personnel will submit the passport to Malaysia Immigration to obtain permits. Meanwhile,

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7.6.4.2 **UNFIT WORKERS**

Workers who are certified to be medically unfit to work will be repatriated back to their home country. The transportation cost will be borne by the CTI.

7.6.5 **PASSPORT HANDLING**

CTI provides a locker with CCTV monitoring due to security reasons for the workers to keep their passport which workers have 24-hour access. CTI also provide compartment lockers for workers at the hostel for the storage of their passports and other personal identity documents with full and direct access without any restriction at all time. Workers are allowed to hold their own passport at all times.

In due to renewal the passport/visa, HR personnel will collect visa form workers and workers must sign the Safekeeping Agreement CTI-HM-03-F01 shown that workers acknowledge on the agreement.

7.6.6 **OPENING OF SAVINGS ACCOUNT**

HR personnel will open saving accounts for salary purposes.

7.6.7 **DOCUMENT FILING**

HR Department will keep the details of the foreign workers in their personnel file.

7.6.8 **CONTRACT RENEWAL**

Upon completion of their contract period, the workers are free to choose whether to renew their contract or be repatriated back to their home country. In the event of workers choose to go back to their home country, the transportation cost will be borne by the Company.

7.6.9 **EARLY RESIGNATION BEFORE CONTRACT EXPIRY**

In the event of a worker's early resignation due to:

a) **PERSONAL REASON**

If the worker chooses for early termination of the contract, there will be no threat of punishment. If there should be any law allowing a penalty, it will be communicated in advance to the worker.

b) **MEDICAL GROUND**

In the event the medical doctor certifies the worker to be medically unfit during the employment period, the worker will be repatriated and transportation costs will be borne by the CTI.

8.0 RECORD

No.	Name of Record	Custodian	Minimum Retention Period	File Name	Disposal Method
8.1	Supplier Code of Conduct (Recruitment Agency)	HR Personnel	As long as supplier still in service	Supplier Code of Conduct File	Crush and tear for hard copy; Delete or archive for soft copy
8.2	Workers' details (Biodata, copy of ID/Passport, etc…)	HR Personnel	As long as employee still employed	Individual Employee File	Crush and tear for hard copy; Delete or archive for soft copy

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8.3	Contract of Employment	HR Personnel	As long as employee still employed	Individual Employee File	Crush and tear for hard copy; Delete or archive for soft copy
8.4	CTI-HM-03-F01: Safekeeping Agreement	HR Personnel	As long as employee still employed	Individual Employee File	Crush and tear for hard copy; Delete or archive for soft copy
8.5	Declaration of Zero Recruitment Fee	HR Personnel	As long as employee still employed	Individual Employee File	Crush and tear for hard copy; Delete or archive for soft copy

9.0 ATTACHMENT

9.1 CTI-HM-03-F01: Safekeeping Agreement

9.2 Declaration of Zero Recruitment Fee

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9.1 CTI-HM-03-F01: Safekeeping Agreement

Chuan Thong Industries Sdn. Bhd. (Co. No. 651239-M)
13, Jalan Ski 4/KU7, Kawasan Perindustrian Hi-Tech, Sungai Kapar Indah, 42200 Klang, Selangor, Malaysia.

Reference Number	:	CTI-HM-03-F01	HUMAN MANAGEMENT
Revision Number	:	00-Wina	
Effective Date	:	September 23, 2024	SAFEKEEPING AGREEMENT
Original Author	:	Nor Syazwina	

Worker Name:
Worker #:

I ***(name as in passport)*** hereby requests ***Chuan Tong Industries*** office to hold the following documents for safekeeping and to facilitate my employment as in visa renewal etc.

Chuan Tong Industries office shall return my documents & belongings upon request.
Chuan Tong Industries will allow me to return the documents to the office for continued safekeeping.

Date submitted	Document type & number	Initial	Date returned	Initial

In the event ***Chuan Tong Industries*** looses the documents / belongings under its safekeeping, the company shall facilitate repacement of the items lost under its care.

This agreement is made on (***date***) between the parties listed below:

Chuan Tong Industries Sdn Bhd

Employee Name & number

Quality • Total Customer Satisfaction

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Page	:	1 of 1
Software Version	:	Microsoft Word 2010
Graphics	:	Yes, Logo
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9.2 HMP 01-09/24: Zero Recruitment Fee Policy

Chuan Thong Industries Sdn. Bhd. (Co. No. 651239-M)
13, Jalan Ski 4/KU7, Kawasan Perindustrian Hi-Tech, Sungai Kapar Indah, 42200 Klang, Selangor, Malaysia.

ZERO RECRUITMENT POLICY

[HMP 01-09/24 Rev 01]

Chuan Thong Industries Sdn Bhd (CTI) practices a "Zero Recruitment Fees" in recruiting its foreign workers (FW). Workers shall not be required to pay employers' agents recruitment fees or other related fees for their employment. The terms "recruitment fees" or "related fees" refer to any fees or costs incurred in the recruitment process for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection. This includes fees and costs associated with the recruitment, hiring, placement, processing, transportation, and ongoing management of workers in both sending and receiving countries.

Where recruitment fees or related costs are charged this must be covered by the employer. Indirect fee charging (such as through deductions from wages and benefits) is prohibited. Any expenses to workers are notified to workers before expenses are made and receipts are be provided to workers

The foreign migrant worker are not required to pay the below fees:

1	Agency Service Fee, Sub-agent Fees *(Placement fees in both sending and receiving countries)*	6	Pre-departure training or orientation, skills tests, medical examination, or other requirements for employment by sending or receiving countries including security deposits.
2	Airfare or fare for other modes if international transportation from sending to Malaysia and transportation fare in when arrived at Malaysia.	7	Pre-departure accommodation cost after employment at the source country and upon arrival at receiving country.
3	Cost associated with passport.	8	Orientation Fees.
4	Visa processing fees.	9	Government-approved insurance, taxes, or other related fees that law requires the employer to bear.
5	Work permit including renewal.	10	Government Levy unless legally allowable for deduction.

Page : 1 of 2

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Chuan Thong Industries Sdn. Bhd. (Co. No. 651239-M)
13, Jalan Ski 4/KU7, Kawasan Perindustrian Hi-Tech, Sungai Kapar Indah, 42200 Klang, Selangor, Malaysia.

ZERO RECRUITMENT POLICY

[HMP 01-09/24 Rev 01]

CTI are responsible for monitoring possible recruitment agencies to make sure that they follow these guidelines and do not charge any recruitment related fees from the workers. If such fees are found to be charged to the workers, company will require the recruitment agency to repay the workers.

Prepared by:



Nor Syazwina
Assistant Management Representative
Date: 23/09/2024

Approved by:

Lim Soo Lin
Director
Date: 23/09/2024

Page : 2 of 2

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10.0 PROCESS FAILURE MODE & EFFECTS ANALYSES:

No.	Description	Severity (S)	Occurrence (O)	Detection (D)	Risk Score R = S X O X D	Control / Remark
10.1	Foreign worker(s) working under CTI shall not require to pay employers' or agents' recruitment fee or other cost.	5	1	1	5	Screening Recruitment Agency to avoid practice of charge recruitment fee to worker.

11.0 REVISION HISTORY:

Revision No.	*Change(s)*		*Approval*		*Approval Date*
	Section	*Description*	*Name*	*Signature*	
01	All	New Issue	Nor Syazwina		September 23, 2024
			Lim Soo Lin		

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